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# DUN'S REVIEW

A Weekly Survey of Business Conditions  
in the United States and Canada

August 9, 1930

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## DUN'S STATISTICAL RECORD

Latest Week:	1930	1929
Bank Clearings.....	\$9,688,290,000	\$12,915,197,000
Crude Oil Output (barrels).....	2,515,309	2,908,600
Freight Car Loadings.....	919,349	1,102,553
Failures (number).....	452	435
Commodity Price Advances.....	34	23
Commodity Price Declines.....	38	37
Latest Month:		
Merchandise Exports.....	\$299,000,000	\$393,186,000
Merchandise Imports.....	250,000,000	353,403,000
Building Permits.....	112,253,100	162,884,000
Pig Iron Output (tons).....	2,639,537	3,785,120
Steel Output (tons).....	2,933,399	4,850,583
Unfilled Steel Tonnage.....	3,968,064	4,256,910
Cotton Consumption (bales).....	405,181	569,414
Cotton Exports (bales).....	185,053	299,136
Dun's Price Index.....	\$169,352	\$171,595
Failures (number).....	2,028	1,752
†Daily average production.	†Domestic consumption.	

## THE WEEK

THE status of agriculture, always highly important because of its fundamental bearing on the general economic situation, has attained the position of outstanding prominence. Prolonged heat and drought over much of the country have had their chief damaging results in the great corn-producing areas of the Middle West, while injury to some other crops and livestock also has been serious, and there has been a sharp reversal of the declining trend of prices for various farm staples. The latter movement has lessened the excess of recessions in DUN's comprehensive list of wholesale quotations, and its influence was partly reflected in the smaller ratio of reduction in the monthly index number. It is yet too early accurately to gauge the probable effects upon business of the changed agricultural prospects, and the main response thus far has been in the sensitive speculative markets. Elsewhere, with few exceptions, activity has continued at low ebb, the normal Midsummer repression of trade being accentuated by the unusual conditions prevailing this year. The numerous statistical indices have plainly revealed the extent of the commercial setback and no definite uplift was to be expected during August, but there is a logical inference in many quarters that at least some seasonal revival will come with the Autumn. Conservatism in providing for anticipated forward needs is nearly everywhere evident, yet there is the wholesome aspect now, with the curtailment of manufacturing, of a closer alignment between outputs and supplies. That phase, although not of immediate benefit, is regarded as one of the basic forces making for ultimate recuperation. Events have demonstrated that a far-reaching transition has been in progress, and that the time element enters largely into any change which is world-wide in scope. With each passing month, however, the readjustment is being brought nearer to completion, and in this connection the outlook is more promising.

By comparison with the excitement in some other speculative channels, trading in the stock market this week seemed merely routine. The volume of the turnover was only moderate, while price movements were mainly desultory and without outstanding feature. Pressure of selling at times converged on shares of companies bearing a special relation to the agricultural situation, and there were occasions when almost the entire market was influenced by the protracted heat and drought over much of the country. On the whole, however, the dealings were devoid of particular significance, and this also was true of most developments in other financial sections. The decidedly low rates for money were continued, with call loans available down to 2 per cent. and making a sharp contrast with the 7 per cent. quotation a year ago. Similarly, accommodation, for the fixed periods ruled much below the levels current in this week of 1929.

The overshadowing price movements of the week have centered in grain markets, which have been greatly influenced by developments affecting crops. The most pronounced effect was on the price for corn, the serious damage in the Middle West causing a violent rise in the cost of this cereal. The advance in wheat was less spectacular, yet it attained sizable dimensions, and other grains also moved steadily upward. Largely as a result of those changes, there were fewer declines this week in DUN's list of wholesale quotations. Thus, 38 out of a total of 72 alterations were in a downward direction, whereas 42 of 62 revisions last week were toward lower levels. A year ago, there were only 14 more reductions than increases.

It does not appear, from information received from various sources, that the general steel situation has changed essentially. Some impetus has been given by slightly heavier shipments to the automobile industry and increases in certain other lines, yet the net gain has been small. Stability in the scrap market, continuing for sometime, is regarded as a hopeful augury, but irregularities in steel prices have by no means been eliminated. Not unnaturally, the widespread drought has added to the uncertainties of the outlook, and, it is considered particularly significant in tin plate, wire products and sheets. Statistical data issued this week was of the same general character as preceding reports, showing a further extension of the curtailment of production. As an example of that trend, daily average production of pig iron is estimated by *The Iron Age* as having been 13 per cent. less in July than in June.

One of the main distinguishing phases of the general textile situation this week was the increased price irregularity in some divisions. That condition was chiefly observed in cotton goods, where further declines occurred and where a reduction of 2c. a yard on printed percales attracted the most

attention. In other branches than cottons, quotations also have been revised downward in several instances, including Fall silks, certain rayon fabrics and some woollens. As the Fall season draws nearer, buyers are reported to be operating more freely, but are confining their purchases very closely in line with nearby needs. The probable effects of

the protracted drought in different sections of the country upon the purchasing power is entering largely into calculations, and has added to the existing conservatism. Meantime, there has been no departure from the policy of curtailing textile outputs, and the contraction at cotton mills is estimated at fully 35 per cent. of capacity.

## GENERAL BUSINESS CONDITIONS

### *Eastern States*

**BOSTON.**—Business remains quiet in general. Pessimism appears to be slowly giving way to slight optimism, which is due largely to the belief that the low period of activity has been reached, and that the next turn will be for the better. Building conditions in New England remain in a depressed condition, although in Boston several large contracts have been awarded. In some quarters, the impression prevails that the unusually easy money rate may provide a stimulating influence for construction work.

Department store sales for July were largely in seasonable merchandise, with little actual change being reported in volume, as compared with that of last year for the same period. Conditions in the textile trade remain practically unchanged, while in the shoe industry business continues quiet, with activity still principally in women's moderate-priced lines.

**NEWARK.**—Unusually high temperatures for this season of the year, prevailing in the early part of the week, had a tendency to retard retail distribution, except in textiles of light weight, which have been in fair demand. Fancy goods, hosiery and sportswear or vacation apparel sell fairly well. The response to well-advertised annual August sales of furniture to date has not been altogether encouraging. Dealers in groceries and provisions at retail report demand as quiet, which is considered usual in Midsummer. The sale of new automobiles has not improved, while generous allowance on used cars does not aid the situation materially.

Industry generally is quiet in this district. Manufacturers, as a rule, are operating on reduced schedules and forces, to prevent accumulating inventories, while purchases are confined largely to immediate requirements, reflecting an unusually low movement in freight shipments, the lowest recorded in several years.

No improvement is noted in the building trades. Apartment house building is quiet, though there are some residential operations under way in the suburban, or outlying areas. Dealers in lumber and building material have but a quiet demand, though prices remain unchanged. Despite what is termed trade irregularities, the volume of business, taken as a whole, is about on a level with that of a year ago, as registered by Clearing House returns.

**PHILADELPHIA.**—There was but little activity in general trade during the week. Most of the buying at retail was for immediate needs, and orders at wholesale were for small amounts. Sales on the wool market continued slow, with prices on the medium grades slightly lower. Fine wools and coarse wools are somewhat higher. The yarn business is quiet, but better business is looked for around the early part of September or October. There has been a little improvement in the dress-manufacturing trade, with some houses booking as many orders as they did in 1929. In most instances, orders are smaller in size. The hosiery manufacturing business is a little better. The millinery trade has picked up markedly during the past two weeks. Sales of dry goods, as a whole, are not satisfactory, and the jewelry business is running considerably behind that of last year. Sales of groceries continue satisfactory.

The furniture trade is not very active, and manufacturers of machinery report business dull, owing to the season of the year. The automobile accessory business is picking up, although some jobbers and dealers are showing a decrease of 10 to 15 per cent. Prices are on the decline, but the nationally-advertised and major lines have not dropped their prices. Dealers in agricultural implements are showing a

slight increase in business. The glazed kid business is quite active, and because of the greatly reduced prices of raw materials, manufacturers, jobbers and dealers are looking forward for good business during the next six months. The building business is not very active. The construction of dwellings is about 75 per cent. below the record of 1929, which was below normal. There is but little demand for lumber.

**PITTSBURGH.**—High temperatures and lack of rain continue to exert a depressing effect upon the volume of business at both wholesale and retail, and department store sales are averaging somewhat lower than those of a year ago, while the volume of business of the smaller merchants is considerably lower than it has been for several years. Jobbers of men's and women's wearing apparel, dry goods, and shoes report buying almost entirely in small amounts and for filling-in purposes. The demand for household goods is light, and there is only a moderate demand for hardware. Grocery sales continue somewhat below normal, with prices averaging considerably lower than those of a year ago.

The demand for lumber and building materials continues quiet, with dwelling house construction materially lower than for several years; prices are averaging about 25 per cent. lower on many grades than they were last year. Industrial operations have been affected, to some extent, by the high temperatures, but steel operations are reported at a slightly higher rate, the average for the industry, as a whole, being placed at about 58 per cent., as compared with 57½ per cent. last week. This rate compares with an average of about 94 per cent. a year ago. There is a somewhat improved demand for radios, although electrical equipment lines are somewhat quieter. Manufacturers of sanitary and heating equipment report business quiet, although some improvement is anticipated in the near future. There is no improvement in the demand for window glass, and production continues at a low rate. Production of plate glass is less than 60 per cent. of capacity, although automobile demand is expected to increase from now on. Crude oil production shows a moderate increase throughout the nation, but Pennsylvania grades are being produced at a lower rate, due to the agreement to curtail output.

The bituminous coal market shows comparatively little change. Although the output is being increased in this section, demand is showing a very slight improvement. Prices of western Pennsylvania grades continue low, and are quoted per net ton, at mines, for run-of-mine coal, as follows: Steam coal, \$1.25 to \$1.75; gas and coking coal, \$1.50 to \$1.75; and steam slack, 90c. to \$1.10 per ton.

### *Southern States*

**ST. LOUIS.**—Recessional tendencies in trade have been emphasized a little more during the current week due, in part, to the excessive dry and hot weather conditions, also to the closing down of many plants for repairs, and a partial lay-off of employes in plants and offices still in operation. Purchases on the part of the public and retail merchants are proceeding along very conservative lines, and manufacturers are producing only on orders. Commodity prices continue downward and this, together with the uncertainty relative to crops, has served to hold down distribution of merchandise in the agricultural area. The drought is affecting adversely the livestock and dairy industries.

Iron and steel plants have reduced production and operating forces more than is usual at this season of the year, the volume of new orders being the smallest for more than a year, and purchases by railroads and automobile factories

are at a low ebb. No improvement is reported in the building and oil industries. Lumber and textile mills of the South have further curtailed production. Freight traffic is running below that of a year ago, and under the record of two years ago.

Distribution of automobiles, which has run considerably below the average of former years, has been more marked in the small towns and in the country than in urban centers. Demand for garage and shop supplies has been very fair. Shoe sales are off about 25 to 30 per cent. from those for the same month last year; purchasing has been in small lot orders, with retail stocks of moderate proportions. Clothing manufacturers report sales for Fall delivery considerably smaller than they were a year ago, with the demand for working clothes quiet. Uncertainty of prices and depression in general business have affected adversely dry goods sales. Production of furniture has been curtailed to a marked degree, and retail trade in this line is at a minimum. The trend of business in the hardware trade is downward, particularly heavy losses in sales being suffered in the rural areas.

There is a fair flour trade reported, although less flour is being sold for future delivery than is usual at the end of July. Flour production for St. Louis and vicinity was 66,700 barrels for the week ending July 26, compared with 92,300 barrels a year ago.

**BALTIMORE.**—The past week has witnessed no reassuring developments in the trade situation, which stagnancy still dominates; the prolonged torrid weather is wilting all energy and no relief, apparently, is yet in sight. Agricultural regions in this State are suffering irreparable damage, in consequence of the protracted drought, and this misfortune is impairing materially the farmers' potential purchasing power. There have been some further commodity price declines, which have caused considerable disappointment, and foreshadow substantial losses.

The present steel outlook is somewhat more hopeful, although local mills are operating at only 55 per cent. of capacity, which is under the level of last year's comparative period. Railway equipment buying continues to lag, and evidently reflects the unsatisfactory earnings of the carriers. It is said that the aggregate bookings for the first half of this year are materially under the figures for the first six months of 1929. Automobile distributors report some improvement in sales, but the present turnover still is below expectations. Accessories are in fair demand and tires are cheaper than ever in the history of the industry. Conditions in the local real estate market are said to be better now than in any other large city in the country; speculative transactions are noticeably light.

Fertilizer sales are smaller than they were a year ago, and price-cutting is reducing profits; the present outlook is uncertain and unsatisfactory because of the anticipated reduction in this year's farm income. In some cases, this season's vegetable yields in Maryland are only 50 per cent. of normal, and the corn crop will be drastically cut. Some packers have intimated that they probably will not engage in active operations at all this year; this condition also has dimmed the prospects of tin-can manufacturers whose outlook earlier in the year seemed rather rosy.

Maryland leaf tobacco receipts for the week continue heavy, but current prices are appreciably lower than the figures a year ago. The egg market is decidedly sluggish; receipts have declined but the consumption demand is light, notwithstanding which fact prices remain unchanged. Butter prices evince an upward trend, not because of a better demand but in consequence of weather conditions which have greatly reduced production. The live poultry market is stagnant, although prices are holding fairly steady at rather low levels. While fruits are fairly priced in the local markets, vegetables are noticeably higher because of shortages in yields.

**LOUISVILLE.**—Although improvement is slow, it is undeniably present in nearly all branches of trade. Increased sales have been reported in some lines, while in others sentiment has changed so markedly during the past few weeks that a foundation has been laid for future activities. Importers of woollens and tailors' trimmings report an improvement in business, but in cotton goods the revival in demand still is weak. In the furniture trade,

sales are running about 30 per cent. below the level at this time in 1929. Stocks in dealers' hands, however, are low, so that an improvement in demand will result immediately in wider manufacturing schedules.

Manufacturers of packaged crackers and cakes are recording a gain of more than 25 per cent. over their record of last year. In the lithographing and printing trades, sales are but a trifle less than they were during the same period in 1929, and it is expected that the last half of the year will see an increase which will bring the total fully up to the 1929 level. Manufacturers of kitchen ranges and circulating heaters have experienced almost no improvement in demand during the last few weeks. The same is true of distributors of automobiles and their accessories. The movement of millwork is restricted just now, although the outlook is encouraging, particularly as regards from the country districts, unless the continued drought has an adverse effect on business.

While lumber merchants report that the movement of hardwoods is rather slow just now, the kiln business has shown a good increase during the last month. Although the general paint trade is in a better frame of mind than it has been for many months, actual sales still are slow in showing a gain. Manufacturers of mill supplies find that sales generally are about 20 per cent. below the total of 1929 at this season. There continues to be a large surplus of crude oil, as well as gasoline on the market, and local refining companies have curtailed production in accordance with the suggestion of the National Oil Conservation Board. The lack of feed and water, due to the extremely dry weather over a large area, has affected the livestock market adversely, with prices of cattle running from \$3 to \$5 per hundred lower than they were a few weeks ago.

**MEMPHIS.**—Quietude and uncertainty continue the dominant features of the business situation, with the prospect made worse by the abnormal spell of weather. The drought, accompanied most of the time by unseasonably high temperatures, has now passed the seventy-eighth day (previous record having been seventy-six), and it has worked disaster to the feed and food crops of the territory. A few localities have had a little rain, but the territory, as a whole, will produce less feed than almost ever known.

Older cotton, and where showers were received by the later, gives fair promise of yield, although indications are for a smaller outturn than last season, in spite of the fact that the boll weevil has been eliminated as a menace. With little indications yet of higher prices, demand continuing stagnant, and with the prospect of enlarged expense bills, because of so little feed and forage, the outlook is not favorable for the agricultural sections of business and those dependent on such.

Conditions in the lumber trade still are unsatisfactory, as there is practically no improvement in demand. Construction work is confined largely to highway and levee improvements and building, with a fair volume of public work, but unemployment still is complained of. Jobbing and retail distribution still is influenced largely by the agricultural outlook, with the hot weather having helped demand, to some extent, for lightweight goods.

**BIRMINGHAM.**—A further decline in volume of retail trade is noted throughout the district, previous unsatisfactory conditions having been accentuated by a Midsummer trade lull. Department stores are endeavoring to stimulate trade by price reductions, but without marked effect, and operating losses are apparent in most lines. Jobbers continue to report buying for immediate requirements. Crop conditions are fair, some sections of northern Alabama having been hurt by a continued drought, though a close-to-normal crop is predicted in most sections. Farm incomes are expected to be lessened by lower prices, however, and prospects in the rural sections cannot be determined for another month, at least.

During July, building permits issued by the City of Birmingham totaled 251, representing a cost of \$268,975, which is far below normal for this season. No important projects are in sight, and material dealers report no increase in demand. In this line, a large number of unliquidated accounts is noted, with little prospect of early collection. Alabama pig iron production in June is estimated at 213,800 tons, as compared with 219,180 tons for the same month last

year. July closed with approximately 12 blast and 11 open-hearth furnaces in operation in the district, with production of iron, steel and coal substantially less than it has been in previous years.

A considerable amount of unemployment is noted, all classes of labor being plentiful at comparatively low wages, with little demand from industrial concerns, most of which continue on a part-time basis. Little or no improvement is expected during the month of August, while industry continues to mark time, pending adjustment of the national economic situation.

### Western States

**CHICAGO.**—Merchandising activities at both wholesale and retail showed a better trend during the week, as the result of the presence of about 2,000 merchants in the city for the sessions of the Interstate Merchants' Council. The visitors generally were moderately optimistic regarding the outlook in their respective territories, although admitting that much will depend upon the final damage done by the drought in the corn belt.

The two large wholesale houses, which have been staging special sales events this week, reported business as very satisfactory. A large mail-order house reported a July sales loss of 5.75 per cent. for last year, which is considered a good showing, in view of the lower prices. Retail trade was stimulated by several heavily-advertised furniture sales, although it is doubtful whether the increase in sales was commensurate with the effort. One large furniture chain, with Chicago headquarters, reported sales for the first six months at \$7,272,261, against \$9,609,424 in the like period of 1929.

The extent of the Fall manufacturing pick-up likewise has been affected by the crop outlook, and farm implement makers' look forward to both collections and a falling off in the sale of light tractors and other implements used in Fall plowing. Automobile sales during the first few days of August have been uneven, with interest in the new models greater than the actual sales. One of the three new sets of models offered locally has been selling fairly well, another moderately so, and the showing of the third somewhat disappointing.

Cattle were weak in the livestock markets, the top for steers on Tuesday closing at \$10.65. Packers expect heavy shipments of low-grade cattle from the drought areas. Hogs were firm, advancing to a top of \$10 on Tuesday. Trading in hides was quiet and generally at last sale prices, with one packer asking  $\frac{1}{2}$ c. higher on heavy branded stocks. Butter was firm on the local mercantile exchange, but eggs eased from their recent highs in the early trading.

Wholesale coal conditions were somewhat uneven all week. Smokeless lump sizes were in better demand but southern Illinois screenings were cut 25c. a ton. In the building material field, sewer and other construction brought a better demand for common brick. Building showed little change from recent levels, with the July permits of \$8,033,500 comparing with \$4,419,400 in June, and \$14,151,000 in July, 1929.

**CINCINNATI.**—The unevenness, which has characterized general trade conditions for some time, has not been modified to an appreciable extent, but in some quarters, there is anticipated a gradual upturn to business in the Fall months. Retail trading has been temporarily stimulated by exceptionally hot weather, though no forward movement of consequence is expected until the midseason lull and vacation period will have terminated. Immediate sales in the jobbing markets are backward. Cotton prices are soft and there is no disposition to make commitments until after the first government report relative to crop conditions is submitted on August 8.

With the month of June excepted, there was a consistent gain, averaging 47 per cent., in the cost of building construction during the first seven months of 1930, as compared with the record for the same period of 1929. For the first seven months of 1930, the number of permits issued was 13,019, calling for improvements costing \$27,598,257, as compared with 13,862 permits during the same period of 1929, with improvements costing \$18,738,150. For the month of July, 1930, the number of permits issued was 1,726, with cost of improvements \$3,318,615. In July, 1929, the number of permits issued was 2,116 calling for improvements costing approximately \$2,301,150. July 24, 1930, marked the in-

auguration of a five-day week working period of organized labor, this agreement to continue for the next thirteen months. It is expected that this schedule will help the unemployment situation.

**CLEVELAND.**—During the last two months the local wholesale trade has registered a decided falling off in volume of sales, compared with the record for the same months of 1929. General sales totals are below the record of the Spring months. Among the lines showing an important decline were: Dry goods, hardware, shoes, groceries, drugs, furniture and most grades of wearing apparel, which fell off in percentages ranging anywhere from 1 to 35. Department store sales in this district also were reduced in volume, while most other retail dealers report a corresponding slowing down of demand.

Dulness continues to characterize most of the manufacturing industries, some of it due to the usual seasonal lull, but the situation has been affected also by the prevailing depression. A number of small manufacturers present an exception to this statement, having a fair volume of orders on hand, which has enabled them to keep their shops busy. Many concerns depending on the automobile industry have eased up, while here and there certain plants are temporarily closed. Employment has not improved greatly, but reports are current that a considerable number of workmen will resume their jobs within the next week or two. The clothing industry is running along at about a normal gait, with advanced bookings of orders somewhat under the usual level. There is said to be a weakness noted in prices.

In the steel industry, business was fairly good during the Spring months, but latterly it has been affected by the slack condition of the automotive market. Pig iron is in small demand, while sheet, strip, and bars also are lagging. Mills in this region are said to be running at about 50 per cent. of capacity. Demand for steel ingots also has declined. The coal business has brightened up somewhat, mainly through the continued movement of cargoes for the Upper Lake ports. The demand for domestic purposes, on the other hand, is rather quiet and, as a rule, prices remain low.

**TOLEDO.**—Business in general continues to lag, although there have been some slight indications of improvement and a moderate increase in employment. In retail lines, the continued hot weather has resulted in a good clearance of strictly Summer goods, especially dresses. There has been some increased activity with manufacturers of automobiles and parts, the working schedules here having been increased, while in adjacent cities factories that have been temporarily closed for inventory and adjustment have started adding employees to the factories supplying them with parts. While this increase has not been large, there appears to be a better sentiment.

The dry weather, only slightly relieved by rain, has affected particularly fruits and vegetables, which are rather high. Building operations fell off materially in July, being only about one-fourth what they were in July, 1929. However, one large civic improvement, which is being let at the present time will add very materially to the year's building record.

**DETROIT.**—While a somewhat better feeling seems to be manifested in trade quarters, revival of business in general still is delayed, on the whole, although the opinion is expressed that the arrival of Fall will witness somewhat more interest in buying, both from a retail as well as a wholesale standpoint.

The demand for Summer merchandise is below expectations, and many stocks have been materially reduced to move them. Customers in wholesale and jobbing quarters still are buying cautiously. Many of the local factories, principally the automobile manufacturers, have resumed work after a layoff, of two weeks or more. The general trade tone is cautious and conservative.

**TWIN CITIES (Minneapolis-St. Paul).**—In spite of abnormally low grain prices and marked deterioration of corn, potatoes, pasturage, and late sown grain, because of extreme heat, there is no evidence of any marked falling off in demand for stable merchandise, as compared with recent weeks, although volume is below that of last year. The threshing and marketing of small grain is well under way, and the seasonal trade stimulus growing out of cash payments to

producers is preventing further loss in trade volume at this time. This being Twin City Market Week, wholesalers are entertaining merchants from outside the cities and house sales of important volume are expected to be made.

There is much variance in reports from manufacturers. The production of tractors is active, largely by reason of foreign sales. Road-building machinery continues in good demand, though sales of contractors' equipment have otherwise fallen off. Flour production and sale is about normal for the period, but because of lowering flour prices mills are having difficulty in enforcing fulfillment of old sales contracts. Some small industrial plants are surprisingly active while others have curtailed output in recent weeks.

**KANSAS CITY.**—During the past week there was a slight improvement in the price of livestock, but other agricultural products continue to show a weak condition. On account of the situation, there seems to be some hesitancy by merchants in placing any orders of consequence for Fall goods, and current business has been somewhat sluggish. Several building projects locally still are under way, and are keeping a large number of the building material trades employed; but building in other lines, including single family residences, is considerably lower than it was last year.

### *Pacific States*

**SAN FRANCISCO.**—There is continued slight improvement in trade, and more encouraging signs, although it will be several weeks before the normal Fall business is in full swing. Large stores are featuring house furnishing sales, and in the market there are many buyers of furniture from out of town. Fall coats and furs are being bought, and leading manufacturers are busy. Public schools are opening, and this is bringing to a close the vacation season. Of the greatest interest to the future of central California and the San Francisco Bay cities is the development that is certain to come during the next five years.

Already a thriving manufacturing center that has been building gradually the markets for its products in the interior and in foreign parts, this city is soon to be the focal point for four great railroad lines. This not only will help in the distribution of California-made articles, but it will create new markets and new avenues of quick transportation for its various fruits and food products. In addition, great commercial and industrial advantages will accrue to this section by bringing in many new industries. Co-ordinating with the increase of rail facilities is the growth in shipping, and the bridge-the-bay program that will mean several new bridges, for rail and vehicle traffic, which will quicken intercommunication around the bay.

**LOS ANGELES.**—Activity in retail business is confined chiefly to clearance sales of Summer merchandise, which are reported satisfactory by the large stores. Volume of sales in groceries, drugs and hardware is reported very little below that of last year, while sales of dry goods and furniture still show a decided loss, as compared with the record of last year. Several manufacturing plants report booking a good volume of business the past week. Those showing increased sales are in the oil, machinery and electrical lines.

Building construction has shown some improvement during the past month, with the placing of contracts for four skyscrapers valued at \$7,500,000. Daily production of crude oil for the past week averaged 610,900 barrels, a reduction of 4,000 barrels registered during the previous week. Sales of gasoline are reported to be well above those of a year ago in southern California.

**PORTLAND.**—Retail trade shows the usual Midsummer characteristics with business fair, as compared with that of last year at this time, but buyers continue conservative, and purchases are largely of a seasonal nature. Wholesale trade is quiet, as is customary at this period, and orders are mainly to supply immediate needs. Bank clearings for the past month amounted to \$149,048,089, as compared with \$179,892,368 in July, 1929. For the first seven months of the year, clearings totaled \$1,042,190,814, as against \$1,157,143,273 in the same period last year. Building is slow, permits issued last month amounting to \$551,215, compared with \$1,113,675 in July last year; but a number of large

projects are soon to be started, the most important being a \$3,000,000 hotel, and a \$2,000,000 department store addition.

The lumber industry is marking time awaiting the opening of the Fall buying season. There have been indications of improvement in the domestic water markets, but rail demand is dull, and is confined to hard assortments on which dealers demand immediate shipment. Production showed a small gain over the previous week, and is now about 50 per cent. of capacity, whereas for the first half of the year the average was 64 per cent. Reports from 224 leading mills show a cut during the week of 130,655,164 feet, which about balanced new business. Of the total orders for 130,212,573 feet, 42,816,760 feet are to be delivered by rail, 51,359,651 feet are for domestic ports and 25,581,545 feet will be exported. The local trade bought 10,454,617 feet. Shipments were 132,413,586 feet, Unfilled orders aggregate 396,712,834 feet, a decrease of 5,427,500 feet for the week.

New wheat is reaching terminal markets in considerable volume, but the bulk of it is on consignment. Exporters have worked a fair volume of sales to Europe, with the aid of low freight rates. Wheat exports from Portland in the past month were 1,365,232 bushels, compared with 1,884,544 bushels, in the previous month, and flour exports were 37,271 barrels, against 52,870 barrels in June.

The pear harvest has started in the southern counties. Early apples are plentiful in the markets and the late crop is making good progress. A record crop of peaches in western Oregon is about ready for shipment. Shipment of fresh fruits and vegetables from the Pacific Northwest for the week were 830 cars, against 956 cars in the previous week. The Oregon wool clip figures 21,375,000 pounds, an increase of 2,526,000 pounds over the total of 1929 and of 2,083,000 pounds over the record of 1928.

**SEATTLE.**—Improvement in motor sales is evidenced by the electric supply trade. Demand came from the orchard districts of Eastern Washington, from fish canneries of Alaska, and from the lumber industry of the Puget Sound area. Following the completion of the \$750,000 power tunnel at the Diablo Dam project of the City of Seattle, there has been awarded a contract for construction of the power surge tank site and for the excavation for the power house. The low bidder submitted a figure of \$96,000 for turbo generator and \$21,000 for a surface condenser for a steam and auxiliary unit being considered in the Northwest territory.

The employment situation in the Puget Sound territory, as regard common labor, is about the same as for recent weeks. Berry picking affords temporary work, as does harvesting in the eastern Washington areas.

### *Dominion of Canada*

**MONTREAL.**—Midsummer quiet prevails in retail trade. The movement of men's and women's seasonal wear has been of but moderate volume, and the decline in commodity prices appears not to have stimulated sales in general lines to any appreciable extent. The wholesale dry goods trade continues to report conditions as quiet, particularly throughout the Western section of the country. Fall orders to date are comparatively light. Groceries are in normal demand, district trade in this line being reported fairly satisfactory. Steel and locomotive plants are working on comparatively limited production, and no resumption of activities on a large scale is looked for until well on in the Fall. A favorable feature of the outlook is the promising condition of crops in the district. The yield of hay, of good quality, is above the average, and crops are progressing favorably.

**QUEBEC.**—Exceptionally warm weather during the past week, together with the absence on vacations of many families has had a depressing effect on general retail sales, but this has been offset by fairly heavy tourist purchases in certain lines. On the whole, averages have been maintained. In wholesale circles, conditions still are described as quiet, dealers apparently continuing to buy only on an immediate requirement basis.

The latter condition also is said to obtain in industrial circles, particularly the boot and shoe trade, where factories are kept fairly busy, but they are working on orders for immediate delivery, for the most part, with but few Fall or Winter orders in sight at present.

## RECORD OF MONTHLY FAILURES

## July Defaults Classified by Branches of Business—Large Defaults Compared

AN analysis of the July statement of business failures in the United States directs attention to one or two features that are worthy of special consideration. There were 2,028 commercial insolvencies last month, with total liabilities of \$39,826,417. In July of last year, the number was 1,752, and the indebtedness \$32,425,516.

Separated by classes of business, the increase shown for the month recently closed was practically all in the trading section. For the manufacturing division, there were fewer defaults for July, this year, than a year ago, and the indebtedness was nearly the same in both years. On the other hand, the trading section shows a large increase in both number and liabilities, 1,481 trading defaults for last month, with \$21,571,609 of liabilities, comparing with 1,161 a year ago, involving \$14,605,398. As to failures in the manufacturing class, 425 in July, this year, compare with 461 a year ago, and \$13,368,613 of indebtedness contrasts with \$12,767,455 in July, 1929. As to agents and brokers, the figures are 122 and 101, respectively, for the month this year and last, while the liabilities for July, this year, of \$4,886,195 compare with \$5,052,666 last year.

Several of the larger and more important trading classes figured quite prominently in the increase in failures last month. The clothing division, which includes furnishings, shows many more failures and for a larger sum. The dry goods division is another; also, furniture lines, hardware, drugs, general stores, books and stationery and hats, furs and gloves.

## FAILURES BY BRANCHES OF BUSINESS—JULY, 1930

	Number			Liabilities	
	1930	1929	1928	1930	1929
<b>MANUFACTURERS</b>					
Iron, Foundries and Nails....	11	15	8	\$231,300	\$361,085
Machinery and Tools.....	34	24	23	1,442,971	795,840
Woolens, Carpets & Knit Goods	1	1	2	17,500	30,000
Cottons, Lace and Hosiery....	1	3	2	8,500	647,035
Lumber, Building Lines, Etc....	81	88	69	2,876,235	3,823,432
Clothing and Millinery.....	37	46	49	521,500	491,627
Hats, Gloves and Furs.....	12	13	8	312,400	249,873
Chemicals and Drugs.....	8	6	5	30,600	43,300
Paints and Oils.....	3	..	..	187,800	..
Printing and Engraving.....	20	15	16	240,200	548,427
Milling and Bakers.....	37	31	47	1,160,869	259,295
Leather, Shoes and Harness....	10	10	18	590,900	42,560
Tobacco, etc.....	1	7	3	66,000	100,500
Glass, Earthenware and Brick..	9	9	5	348,843	161,315
All Other.....	160	193	195	5,332,995	5,212,866
Total Manufacturing.....	425	461	450	\$13,368,613	\$12,767,455
<b>TRADERS</b>					
General Stores.....	83	68	77	\$844,500	\$1,118,443
Groceries, Meat and Fish.....	278	277	279	3,694,110	2,233,517
Hotels and Restaurants.....	100	103	91	1,002,000	942,390
Tobacco, etc.....	25	26	17	128,900	188,175
Clothing and Furnishings.....	215	155	157	2,335,300	1,898,076
Dry Goods and Carpets.....	90	61	55	3,038,914	1,045,405
Shoes, Rubbers and Trunks....	42	40	37	321,500	778,240
Furniture and Crockery.....	75	59	60	1,554,700	947,380
Hardware, Stoves and Tools....	46	32	29	729,099	541,560
Chemicals and Drugs.....	65	46	44	788,300	573,716
Paints and Oils.....	8	8	11	108,700	518,509
Jewelry and Clocks.....	24	28	35	468,750	247,105
Books and Papers.....	21	5	14	371,820	64,029
Hats, Furs and Gloves.....	11	6	8	108,600	41,825
All Other.....	398	276	247	6,076,416	3,466,947
Total Trading.....	1,481	1,190	1,161	\$21,571,609	\$14,605,398
Other Commercial.....	122	101	112	4,886,195	5,052,666
Total United States.....	2,028	1,752	1,723	\$39,826,417	\$32,425,519

Automobiles and accessories, July, 1930: Manufacturers 19, liabilities \$175,400; trading 120, liabilities \$1,670,900; total of all 185, liabilities \$2,158,200. Manufacturers include all branches of the industry; trading includes accessories and filling stations, and the total also includes garages, bus lines, etc.

## Record of Week's Failures

SOME further improvement appears in the insolvency record this week, 452 failures being reported. That total is 16 less than last week's 468 defaults, and is 58 below the 510 insolvencies two weeks ago. Moreover, the comparison with the 435 failures of this period of 1929 is less unsatisfactory than was the case in most preceding weeks. The number of defaults is less this week than last week in the South and on the Pacific Coast, while the number for the East is practically the same for both weeks. In comparison with the returns for a year ago, the increase is wholly due to the higher total for the Western section.

Numbering 39, failures in Canada this week compare closely with the total of 37 last week, and are practically identical with the 40 defaults reported to R. G. DUN & Co. a year ago.

SECTION	Week Aug. 7, 1930		Week July 31, 1930		Week July 24, 1930		Week Aug. 8, 1929	
	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total
East .....	103	164	109	163	109	168	90	163
South .....	50	80	51	94	67	114	48	87
West .....	95	150	94	137	103	165	62	117
Pacific .....	24	58	38	74	30	63	21	68
U. S. ....	272	452	292	468	309	510	221	435
Canada .....	26	39	24	37	29	43	21	40

## LARGE AND SMALL FAILURES—JULY

	All Commercial		Under \$100,000		Average
	No.	Liabilities	No.	Liabilities	
1930...	2,028	\$39,826,417	58	\$16,465,298	\$11,640
1929...	1,752	32,425,519	51	13,126,616	11,340
1928...	1,723	29,586,633	49	11,989,470	10,512
1927...	1,756	43,149,974	57	21,964,476	12,470
1926...	1,605	29,680,009	54	12,909,741	12,013
1925...	1,615	34,505,191	42	16,810,000	10,770
1924...	1,615	38,813,238	54	19,715,819	10,943
1923...	1,231	35,721,188	56	21,991,166	11,486
1922...	1,755	40,010,313	54	18,759,289	12,500
1921...	1,444	42,474,153	56	23,175,650	12,470
1920...	631	21,906,412	48	14,901,937	11,000
1919...	452	5,507,010	7	1,797,512	8,531
<b>Manufacturing</b>					
1930...	425	\$13,368,613	27	\$8,040,323	\$15,900
1929...	461	12,767,455	25	6,391,530	14,624
1928...	450	12,932,132	30	7,652,859	12,570
1927...	448	16,742,565	28	10,517,891	14,821
1926...	396	11,167,484	30	6,009,398	14,091
1925...	418	10,931,798	24	6,017,900	12,470
1924...	416	20,022,429	36	14,149,800	15,404
1923...	350	19,138,803	32	14,192,013	15,554
1922...	467	14,794,771	27	7,660,597	16,214
1921...	342	23,983,572	32	18,747,880	16,894
1920...	213	12,986,467	28	10,151,931	14,913
1919...	139	2,297,812	3	844,617	12,238
<b>Trading</b>					
1930...	1,481	\$21,571,609	23	\$6,258,805	\$15,900
1929...	1,190	14,605,398	16	3,113,443	9,798
1928...	1,161	12,899,466	11	2,128,800	9,366
1927...	1,187	16,832,346	13	3,883,426	11,030
1926...	1,122	14,614,232	17	3,939,300	10,674
1925...	1,184	15,961,174	14	4,153,000	10,992
1924...	1,124	12,420,599	14	2,340,919	9,801
1923...	828	10,701,300	14	2,853,307	9,661
1922...	1,218	17,255,857	24	4,299,448	12,626
1921...	1,021	14,438,677	17	2,553,531	11,896
1920...	409	6,389,106	14	2,828,876	9,650
1919...	280	1,880,664	2	205,155	8,007

## San Francisco Radio Trade

SAN FRANCISCO.—Business in the radio industry and the radio supply trade still is somewhat demoralized. Buying still is chiefly of distress merchandise and the lower-priced sets. Special purchases of standard sets below the prevailing market level have interfered with the regular trade all season. New models are appearing and dealers expect better business in the Fall. A few large dealers who are in a position to take advantage of offerings have done well, but many small dealers have been hard hit because of slow collections, rapid changes in styles and price fluctuations.

## Crude Oil Output Increases

THE American Petroleum Institute estimates that the daily average gross crude oil production in the United States for the week ended on August 2, was 2,515,300 barrels, compared with 2,488,700 barrels in the preceding week, an increase of 26,600 barrels. The daily average production east of California was 1,908,600 barrels, against 1,877,800 barrels in the previous week, an increase of 30,800 barrels, indicating a decrease of 4,200 barrels in the daily flow in California.

Imports of crude and refined oils at the principal ports in the United States for July totaled 9,297,000 barrels, a daily average of 299,903 barrels, compared with 8,509,000 barrels, a daily average of 283,633, for June. Imports for the week ended on August 2 totaled 2,323,000 barrels, a daily average of 331,857, against 2,053,000 barrels, a daily average of 293,285, in the preceding week.

Receipts of crude and refined oils from California at Atlantic and Gulf ports for July amounted to 3,208,000 barrels, a daily average of 103,484, compared with 2,079,000 barrels, a daily average of 69,300, for June. California oil movements to these ports in the week ended on August 2 were 786,000 barrels, a daily average of 112,286, compared with 443,000 barrels, a daily average of 63,286, for the week ended on July 26.

# MORE ACTIVITY IN AUTOMOBILES

## Output and Sales Well Below the 1929 Half Year Record—Many Plants Reopening

THE following summary of conditions in the automobile industry was compiled from reports received from branch offices of R. G. DUN & Co.:

**DETROIT.**—Evidence continues to accumulate in support of the belief that the automotive industry has reached a point of lowered production in the first month of the third quarter which ought to mark the turning point for which the industry and the public have been hopefully waiting all year. The closing down of practically all plants of the leading producers during two or more weeks last month brought production down closer to sales requirements, striking a favorable balance between production and sales. Stocks of new cars which had been held at satisfactory levels for several months probably will show further depletion; and so far as inventories are concerned the trade entered the month of August under lighter pressure than at any time in recent years.

Under modern conditions of factory operation, it is very much easier to make cars than to sell them. The lowered production, even for a brief interval, has still further stressed the built-up demand, and many believe that the worst of the depression may be near at hand. Selling campaigns out of the ordinary are pursued intensively this year, with nothing lacking but public response to the effort. This week probably will mark the low point, with the reopening of the inactive plants of the leaders, one of which announces a working schedule of 6,000 to 7,000 units daily before the end of August.

The total production in this country and Canada of motor vehicles for the first half of 1930 was 2,320,231, compared with 3,413,804 in the corresponding half of 1929, but 3,722 more than in the first half of 1928. Of the total produced from January 1 to June 30, this year, a leading manufacturer of lower-priced cars turned out 41.7 per cent., while the largest publicly-owned corporation in the industry accounted for 31.3 per cent., including cars running from \$500 to \$15,000. All other manufacturers combined had a percentage of 27 of the total units. The total for 1930, half year, is 32 per cent. below that of 1929, while June output was nearly 40 per cent. under that of June, 1929.

Passenger automobiles, motor trucks and motor buses registered throughout the world January 31, 1930, totaled 35,127,398, an increase of 3,092,826 vehicles, or 9 per cent. over the January 1, 1929, total. Of the 1930 total, 26,253,450 were registered in the United States—more than three times the number registered in all foreign countries. It is estimated that the average number in the hands of 55,000 dealers is less than eight, or 23 per cent. below the number for the corresponding period of 1929.

A decline of 40 per cent. is reported in the value of exports this year, compared with those of 1929, reduced to \$205,000,000 for the half year, the lowest for any similar period since 1926. If production comes near reaching 4,000,000 units for the year, of which the industry is none too sanguine, the output for the last six months must reach 1,675,000, with the peak of the last six months reached in August or September.

Three new "eights" are announced this month, two in the Detroit area, at prices expected to attract buyers. Both are under the price of former "sixes," with rumors of a "twelve." Other reductions were announced in recent months, averaging over 12 per cent. Only seven United States makers are now without an "eight," and four, including a new "bantam" car confined to four-cylinder cars, while four others manufacture "sixes" only. Eight concentrate on "eights" only, while sixteen produce "sixes" and "eights."

Trucks have shown more inactivity lately, as plants have closed for inventories and vacations. Sales in the heavy-duty classes are holding better, keeping step with the lowered car and truck production. The automobile parts industry is at its lowest point since January 1. Even the tire dealers are grumbling about a decidedly dull market and price-cutting. With the original equipment market declining steadily, and with tire production schedules below expectations, that branch of the industry expects no material recovery during August.

The used-car situation has been helped by the junking plan of worn-out cars undertaken by twelve leading manufacturers, as a routine matter, with others to follow their example. Ultimate disposal of defunct cars makes room for a better one, new or used.

**BOSTON.**—In both the passenger and truck lines, the future outlook appears uncertain, with limited possibility of improvement unless governed by new models. Sales for new automobiles in New England are about 15.6 per cent. less than for the first quarter and about 20 per cent. behind the first half of 1930, as compared with those of the year previous. However, the total sales for January to June, 1930, exceeded those of any corresponding period, excepting 1929. The market for used cars is bad, with a large surplus on the hands of dealers, and little possibility of increased activity before Spring. The opinion is that, in general, prices of new cars will undergo little change, and with conditions during the past month very quiet, it is hoped that new models for the ensuing year may stimulate business. Conditions in the truck market also are uncertain, this being increased by the outcoming of new models. Car registrations for the first six months of 1930 in New England show a decrease in passenger cars of about 18 per cent. from 154,041 to 125,291, and in trucks of about 16 per cent. from \$20,547 to \$17,184.

Tax records show an increase in gasoline consumption for the year, as compared with that of last year. There are fewer manufacturers of tires in New England, and one large company has moved its plant to another center. Conditions are reported quiet, with an increasing tendency toward the purchase of moderate-priced goods by the consumer. In the accessories and equipment lines, dealers are reported as buying carefully, and keeping their supply well in hand. Thus far, there has appeared no marked change in prices, and while prospects are not regarded better than fair at this time, some houses are reporting an improvement in orders for early Winter delivery, and believe that conditions are somewhat better.

**NEW HAVEN.**—In this city, automobile parts are manufactured in considerable quantities. The decline in the production of complete automobiles during the past six months has been reflected in a decrease of approximately 15 per cent. in the production of automobile accessories. The seasonal decline has been more than usual this year, especially during June and July. Prices are somewhat lower, due to keen competition. Manufacturers look to a gradual return to former prices. There has been a reduction in the number of working hours by most factories. Collections continue slow, with no decided improvement during the past three months.

**PHILADELPHIA.**—Although the recession in automobile sales in this district was not quite so marked as it was in some parts of the country, distribution for the first half of the year was nearly 40 per cent. below the record for the comparative period of 1929. Export demand was good until the past month when the full force of the tariff regulations began to be felt. Dealers in automobile supplies and garage equipment, on the other hand, report an increase in their sales over last year's record, the gain, in some instances, running as high as 15 per cent. Although prices are on the decline, quotations of nationally-advertised and major lines have been reduced but slightly.

Usually at this time of the year manufacturers of automotive equipment are writing orders for Winter commodities, but there is a tendency now among the trade to hold off until the Fall actually arrives. Distributors of cars as well as dealers in supplies and accessories are confident that the last half of the year will witness an improvement in demand. For that reason, no further price declines are anticipated. On the whole, collections in this trade have been fair.

**ROCHESTER.**—Conditions in the automobile line in this vicinity are dull. Sales of new cars, with but few exceptions, are below not only last year's but under those of 1928 as well. New models are coming out and, in some cases, dealers report a number of orders being placed. Prices are somewhat lower than on the similar models of last year. The secondhand automobile market is in poor shape. There are many cars for sale, but even at sacrificed prices the volume of sales is small. Some of the tire dealers report a fair business on replacements but, on the whole, the volume

(Continued on page 15)

## MONEY RATES SHOW FIRMNESS

### Fractional Advance—Heavy Gold Shipments Abroad an Important Factor

**MONEY** rates remained at very easy levels this week, notwithstanding a belated rise of small proportions, occasioned by the month-end needs incident to interest and dividend payments. A possible influence in this rise in call money was the extensive export movement of gold from this country to France and Canada. Shipments, which began three weeks ago, have mounted to about \$70,000,000, and until the current week very little was done by Federal Reserve officials to counteract the loss. Call loans on the Stock Exchange were 2 per cent. as the week began, but bank withdrawals of about \$75,000,000 on Monday caused a slight stringency, and the rate tightened Tuesday to 2½ per cent. The higher rate attracted larger offerings, however, and in the street market funds were again available as the week progressed at 2 per cent., indicating that most of the stringency was due to the month-end needs, rather than to the gold loss. Even after this influence had passed money was not on such free offer as formerly, and some money brokers were loath to make deals at less than 2½ per cent.

The demand for funds for crop-moving is expected to increase from this time, and the anticipated increase in business during the Autumn is a further factor now taken into consideration. In the time money market, however, where such long-range considerations first make definite appearance, little developed. Funds were available in moderate quantities at 2¼ to 2½ per cent. for short dates, while four, five and six months' maturities were 2½ to 3¼ per cent. Commercial paper was 3 to 3½ per cent. for all names. Bankers' acceptances were unchanged at 2 bid and 1½ asked for 30 to 90 days, while longer dates were 2½ bid and 2¼ asked. A cut in the rediscount rate of the St. Louis Federal Reserve Bank from 4 to 3½ per cent. was announced.

Daily closing quotations of foreign exchange (bankers' bills) in the New York market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Sterling, checks...	4.87	4.86½	4.87½	4.87½	4.87½	4.86½
Sterling, cables...	4.87½	4.87½	4.87½	4.87½	4.87	4.87½
Paris, checks...	3.93¼	3.93¼	3.93¼	3.93¼	3.93½	3.93
Paris, cables...	3.93½	3.93½	3.93½	3.93½	3.93½	3.93½
Berlin, checks...	23.89½	23.89	23.89	23.88½	23.89½	23.89½
Berlin, cables...	23.91½	23.91	23.91	23.90½	23.89½	23.89½
Antwerp, checks...	13.98½	13.98½	13.98½	13.98½	13.99½	13.99½
Antwerp, cables...	14.00	14.00	14.00	14.00	14.00¼	14.00
Liège, checks...	5.23½	5.23½	5.23½	5.23½	5.23½	5.23½
Liège, cables...	5.23½	5.24½	5.23½	5.24	5.23½	5.23½
Swiss, checks...	19.43	19.43½	19.44½	19.44½	19.44½	19.45
Swiss, cables...	19.43½	19.43½	19.45	19.45	19.45½	19.45½
Guilders, checks...	40.27¼	40.27¼	40.29½	40.30¼	40.28¼	40.27¼
Guilders, cables...	40.28¼	40.28¼	40.30¼	40.31¼	40.30¼	40.29¼
Pesetas, checks...	11.20½	11.13½	11.15½	11.12½	11.18½	11.62½
Pesetas, cables...	11.21	11.14	11.16	11.13	11.19	11.17
Denmark, checks...	26.82	26.82	26.82½	26.82½	26.80	26.79¼
Denmark, cables...	26.82½	26.82½	26.83	26.82½	26.81¼	26.81¼
Sweden, checks...	26.90½	26.90½	26.90½	26.91	26.90	26.89¼
Sweden, cables...	26.91	26.91	26.91¼	26.91¼	26.91	26.90¾
Norway, checks...	26.81	26.81¼	26.82	26.82	26.81	26.80¼
Norway, cables...	26.81½	26.82¼	26.82½	26.82½	26.82	26.81¼
Greece, checks...	1.29½	1.29½	1.29½	1.29½	1.29½	1.29½
Greece, cables...	1.29½	1.29½	1.29½	1.29½	1.29½	1.29½
Portugal, checks...	4.52	4.52	4.52	4.52	4.52	4.52
Portugal, cables...	4.53	4.53	4.53	4.53	4.53	4.53
Montreal, demand...	100.16	100.16	100.16	100.14	100.15	100.15
Argentina, demand...	36.20	36.05	36.40	36.50	36.82	36.85
Brazil, demand...	10.35	10.35	10.35	10.30	10.40	10.35
Chili, demand...	12.10	12.10	12.10	12.10	12.10	12.10
Uruguay, demand...	82.75	83.00	83.50	83.50	83.75	83.50

Foreign exchanges were closely followed, owing to the large gold movements occasioned by the upswing of recent weeks in important exchanges. With the London market closed on Monday in observance of the August bank holiday, little developed in the early dealings. In later sessions, rates moved in a narrow arc, without effecting changes of any great significance. Sterling moved very slightly forward and held its gain, but remains somewhat under the figure at which gold could profitably move from this market. The French franc reacted a little, but not enough to carry the rate under the gold shipment point. Important movements resulted, \$10,000,000 of gold leaving by a fast vessel Tuesday, while further amounts were engaged yesterday. With the shipment of Tuesday, the movement to France, since the present movement started amounts to \$53,000,000, while Canada took \$14,500,000 in all, making a total outflow of \$67,500,000 since July 16. Receipts from South American countries have offset this to a degree. Canadian exchange reacted somewhat in the middle of the week, but the level is still high enough to promote further shipments, and the end of the outflow is not considered in sight. European currencies, other than sterling

and francs, were firm at fairly high levels, but no currency has yet reached a level at which experimental shipments of gold have been tried. German marks and Dutch guilders are not far from the gold shipping points, however, and exports in that direction would not prove surprising. South American currencies were quiet and almost unchanged, while Far Eastern rates also remained substantially at their previous levels.

## Comparison of Bank Clearings

**BANK** clearings for the first week of August at leading cities in the United States of \$9,688,290,000 are 25.0 per cent. below those of the corresponding week of last year. At New York, the figures this week are \$6,636,000,000 and show a loss of 28.0 per cent., while for the cities outside of New York the total of \$3,052,290,000 is 17.4 per cent. smaller. Bank clearings last year were exceptionally high for several months throughout the Summer and Fall. Two years ago, conditions were more nearly normal, and the report this week shows a gain over the figures for that period. There is an increase at New York and at a number of the leading outside centers, among them Chicago, Boston, Philadelphia and Cleveland. The total this week for the leading centers outside of New York is higher than that for the same week of August, 1928.

Clearings for the week, and average daily bank clearings for the last three months, are compared herewith:

	Week Aug. 7, 1930	Week Aug. 8, 1929	Per Cent.	Week Aug. 9, 1928
Boston .....	\$481,000,000	\$521,000,000	-7.7	\$413,000,000
Philadelphia .....	511,000,000	579,000,000	-11.7	462,000,000
Baltimore .....	100,242,000	142,305,000	-29.6	92,094,000
Pittsburgh .....	167,201,000	202,118,000	-17.3	166,953,000
Buffalo .....	46,674,000	68,197,000	-31.6	59,973,000
Chicago .....	653,128,000	803,290,000	-18.7	630,881,000
Detroit .....	153,404,000	201,680,000	-23.9	169,947,000
Cleveland .....	119,397,000	143,360,000	-16.7	112,762,000
Cincinnati .....	50,651,000	70,861,000	-28.5	66,685,000
St. Louis .....	106,600,000	127,700,000	-16.5	130,800,000
Kansas City .....	123,400,000	173,600,000	-29.9	147,106,000
Omaha .....	42,164,000	51,356,000	-17.9	43,286,000
Minneapolis .....	*75,000,000	107,092,000	-30.0	73,866,000
Richmond .....	38,498,000	42,946,000	-10.4	36,736,000
Atlanta .....	37,635,000	51,969,000	-27.6	41,437,000
Louisville .....	32,563,000	34,037,000	-4.3	29,933,000
New Orleans .....	37,704,000	45,927,000	-17.9	43,164,000
Dallas .....	33,268,000	46,115,000	-27.9	41,739,000
San Francisco .....	172,300,000	192,500,000	-10.5	184,500,000
Portland .....	32,883,000	39,775,000	-17.4	35,993,000
Seattle .....	37,578,000	50,369,000	-25.4	45,130,000
Total .....	\$3,052,290,000	\$3,695,197,000	-17.4	\$3,020,985,000
New York .....	6,636,000,000	9,220,000,000	-28.0	5,770,000,000
Total All .....	\$9,688,290,000	\$12,915,197,000	-25.0	\$8,790,985,000

### Average daily:

August to date..	\$1,614,715,000	\$2,239,271,000	-27.9	\$1,585,303,000
July .....	1,677,199,000	2,165,063,000	-22.5	1,702,479,000
June .....	1,892,964,000	1,993,190,000	-5.0	1,965,690,000
May .....	1,760,938,000	2,029,058,000	-13.3	2,067,298,000

<sup>a</sup>Estimated

\*Estimated

## Record of Car Loadings

**LOADINGS** of revenue freight for the week ending July 26 totaled 919,349 cars, the American Railway Association announced, a decrease of 8,907 cars from the total for the previous week, and a reduction of 183,204 cars from that for the same week in 1929. Decreases were reported in all commodities except coal. Car loadings in detail were:

	Week Ended July 26,	Ch. Fr. Prev. Wk.	Ch. From Same Wk. 1929
Miscellaneous freight .....	354,935	-4,233	-73,842
Merchandise less than car lots .....	230,986	-2,145	-27,053
Coal .....	140,749	+3,978	-20,315
Forest products .....	41,612	-546	-26,181
Ore .....	60,381	-1,628	-20,297
Coke .....	8,280	-252	-3,681
Grain and grain products .....	63,637	-519	-6,480
Livestock .....	18,769	-3,582	-5,355

—Decrease. +Increase.

Car loadings for the week ended July 26 compare with those in other weeks as follows:

	1930	1929	1928	1927
July 26 .....	919,349	1,102,553	1,034,326	1,044,697
July 19 .....	928,256	1,079,968	1,033,843	1,012,585
July 12 .....	915,985	1,066,414	1,024,925	1,017,394
July 5 .....	792,141	911,143	850,947	839,085
June 28 .....	936,848	1,096,569	1,003,699	1,021,438

One day this week, about 70,000 pieces of print cloths were sold for spot and August-September delivery on a basis of 5¼c. for 38½-inch 64x60s. Bids for large quantities of 4-yard 80x80 print cloths at 7¼c. for delivery to the end of the year were declined, but moderate sales were made at 7¼c., which was a reduction of ¼c. a yard from the price a week ago.

# Dun's Weekly Survey of Money and Credit Conditions in the United States

## MONEY MARKETS

### In Eastern Districts

**Boston.**—There is a slight decrease in the ratio of the Federal Reserve Bank of Boston, the figure having dropped from 83 to 82.5 per cent. for the week. This is a gain over the 77.9 per cent. for the comparative week of 1929. For the week, the reserves show a decrease of about \$7,600,000, circulation a drop of about \$2,400,000, and deposits a decline of \$4,500,000. Bills discounted have decreased around \$1,100,000, and bills bought in the open market are about \$1,100,000 less. The local money market is dull, and call money is 2 to 2½ per cent. Commercial paper is fairly active at 4 to 4½ per cent., and brokers' loans are 3 per cent.

**Philadelphia.**—Very little change has been noted in the local money market. The call rate remains at 4 per cent., and prime names are accommodated on the same terms, with limited offerings. Rates on other paper are 4½ to 5½ per cent. Funds are in good supply, and borrowers are inclined to seek more favorable terms.

### In South and Southwest

**St. Louis.**—Demand for funds from commercial and industrial sources has shown a downward trend and has been smaller than in former years at this season. There has been a considerable amount loaned on securities, but all other loans indicate a decline. Banks specializing in livestock loans report a fair volume of liquidation. Loanable funds are abundant, and this fact, with the lessened demand, has shown a steady decline in interest rates. Prime commercial loans are made on a basis of 4 to 5 per cent. Collateral loans are 4½ to 5½ per cent., and cattle loans range from 5 to 6 per cent.

**Kansas City.**—General demand for money continues much less than it was a year ago. Rates at commercial banks remain at 5 to 6 per cent., and deposits continue heavier than they were a year ago. Bank clearings for the month of July showed a rather sharp decrease over those of July a year ago.

**Richmond.**—The money market continues easy. There is little demand for loans and money rates are much lower than they were last year at this time. Fewer banks are borrowing and, therefore, a good many have large surpluses on hand.

**Atlanta.**—Money conditions in this district remain unchanged. Demand is moderate for legitimate commercial needs, with ample funds available.

**Dallas.**—The local money market continues quiet, and demand for loans of all classes is light. Interest rates remain practically unchanged. The ratio of the Federal Reserve Bank of Dallas was 59.7 per cent. at the close of the week, as compared with 59.6 per cent. for the previous week.

### In Western Districts

**Chicago.**—Money continues steady, with commercial paper 3 to 3½ per cent. in an active market. Over-the-counter loans are 3¾ to 5½ per cent., while brokers' loans on collateral are 4½ per cent. Customers' loans on collateral are 5 to 6 per cent., with shading on preferred names.

**Cincinnati.**—Money continues in an easy position. Financial movements were more or less restricted during the week, and rates are softer. Prime commercial paper is only moderately active at rates ranging from 5 to 6 per cent. Call loans to brokers average 4½ to 5 per cent.

**Cleveland.**—Money rates continue easy, and the demand is light. The report of the local Federal Reserve Bank for the past week indicated a diminution in debits to individual accounts, compared with the total of the former week, and the volume was largely below what it was during the same week last year. Only a few minor changes were noted in such items as discounted bills, holdings of government securities, and borrowings from Reserve Banks.

**Twin Cities (Minneapolis-St. Paul).**—Demand for money was moderate last week, with commercial paper quoted at 3¼ to 3½ per cent. Bank rates ranged from 4 to 6 per cent.

**San Francisco.**—Money is plentiful at local banks with deposits increasing and comparatively few loans being made. Lenders are conservative, pending a revival of industrial and general business conditions. Very little paper is being offered for rediscount, but large sums are being used in the movement of crops.

## COLLECTION CONDITIONS

### In Eastern Sections

**Boston.**—Collections locally continue to be slower in both the retail and wholesale trades. In the retail lines, the Summer season is responsible, to a considerable extent, for the slowness, the ratio running 2 to 3 per cent. behind that for the same period of 1929.

**Providence.**—While there has been a little improvement in collections during the last week or two, they are generally not better than slow.

**Hartford.**—Although there is a better trend noticeable in collection reports, slowness still predominates in most lines.

**Newark.**—Although the volume of local business, taken as a whole, is about on a level with that of a year ago, collections, with few exceptions, are inclined to be slow.

**Philadelphia.**—Local collections have shown a moderate improvement, being considered fair to good in the grocery trade, and fair in the dry goods trade. There continues to be some tardiness in certain branches of the furniture trade, but this is not so marked as it was a few weeks ago.

**Pittsburgh.**—Not much change is noted in the collection situation, payments with jobbers continuing to average not better than slow.

**Buffalo.**—Collections for the week have been running along without change, being reported as fair to slow, for the most part.

### In South and Southwest

**St. Louis.**—Collections are considerably below the normal for this season of the year. There are reports of delays and requests for extension. Retail collections are slow, because of many customers being away on vacations or temporarily out of employment. This situation also is affecting instalment collections.

**Kansas City.**—There has been almost no improvement in collections in this district, the tardiness of the past few weeks continuing.

**Baltimore.**—Current reports from local jobbers and industrial concerns lack uniformity, as remittances still range from slow to good. The improvement noted by some houses apparently is offset by a corresponding retrogression in other cases, so that the net result has continued practically unchanged during the past week.

**Atlanta.**—Local collections have changed but little, conditions generally being practically the same as they were two months ago, as payments continue slow in nearly all lines.

**Louisville.**—While many branches of trade continue to report tardiness in collections, they are decidedly better than they were a few weeks ago. With jobbers of woollens and tailors' trimmings they still are a little off, but are on the upward trend. With manufacturers of cotton goods, collections continue fairly good.

**Birmingham.**—Local collections continue difficult, and considerably more caution is evident in the extension of credit in both wholesale and retail lines.

**Jacksonville.**—Judging from the reports received during the current week regarding the collection situation, there is less slowness in the majority of trades.

**Oklahoma City.**—Although collections in this district continue slow, as a whole, there is a definite trend toward betterment.

**New Orleans.**—Although collections have been slow for some time, they now are showing a marked improvement, even in those lines generally tardy at this season of the year.

### In Western Sections

**Chicago.**—In some lines, collections have shown an improvement during the past week or ten days, but in other lines they are reported as slow and unsatisfactory.

**Cincinnati.**—Tardiness in collections seems to be general, although it is more pronounced in adjacent agricultural sections, due to the drought, than it is in urban centers.

**Cleveland.**—Collections in this district are the source of considerable complaint, on account of slowness, as the situation has improved very little during the last two or three weeks.

**Toledo.**—The collection situation while still slow, appears to be in a little more satisfactory condition than it was a few weeks ago.

**Detroit.**—While there were isolated instances of improvement in the reports received during the current week, the betterment in payments is not general.

**Twin Cities (Minneapolis-St. Paul).**—While isolated instances of improvement were noted in the collection reports received during the week, the general situation is not satisfactory.

**Omaha.**—There continues to be considerable tardiness to local collections, but they are a little more prompt than they were a few weeks ago.

**Denver.**—There was almost no improvement in collections during the past week, payments in general still being classed as fair to slow.

**Los Angeles.**—While there have been many instances of improvement in the local situation, collections generally still are slow.

**Seattle.**—With retail merchants, collections still are slow, but with wholesalers they are better than they were a week ago. With instalment houses there has been a gradual improvement during the last few weeks.

## PITTSBURGH STEEL RATE GAINS SLOWER MOVEMENT IN HIDES

Slight Increase Noted, with Mills Operating at Around 85 Per Cent.

THERE has been a slight increase in the rate of production of Pittsburgh steel mills, which are now estimated as operating at around 58 per cent. Resumption of operations by a number of the leading automobile manufacturers is calculated to improve demand for products used by these companies, although the gain is not expected to be very large at this time, as some other manufacturers are reported to be curtailing production. There has been a heavy demand for line pipe, and mills producing pipe are reported to have large bookings, with prospects good for a considerable portion of the balance of the year. Railroads are showing considerable interest in their rail requirements, and it is expected that they will make contracts for their future rail needs at an earlier date than usual.

Demand for tin plate has been quiet, and mills in the Pittsburgh district are averaging about 65 per cent. Production of sheets continues at a low rate, the average being estimated at 45 to 50 per cent. of capacity. Basic materials show little change, with the market for pig iron very quiet and carload lots being about the average sale. The market for scrap appears to be gaining strength, although demand is quiet. Coke production in the Connellsville district is now at the lowest point in many years, with current demand very quiet. Basic and No. 2 foundry iron are quoted at \$18, Valley, and Bessemer at \$18.50, while heavy melting steel scrap is quoted at \$14.75. Furnace coke is quoted at \$2.50 per ton, with foundry coke at \$3.50. Structural shapes, plates and bars continue to be quoted at \$1.65, Pittsburgh, with other finished descriptions showing practically no change. Black sheets continue to be named at \$2.45, Pittsburgh, with wire nails at \$2.05.

### Production of Pig Iron

DAILY AVERAGE PRODUCTION OF COKE PIG IRON IN THE UNITED STATES BY MONTHS SINCE JANUARY 1, 1926—GROSS TONS

(From The Iron Age)

	1930	1929	1928	1927	1926
January .....	91,209	111,044	92,573	109,123	106,974
February .....	101,390	114,507	100,004	105,024	104,408
March .....	104,715	119,822	103,215	112,368	111,032
April .....	106,062	122,087	106,183	114,074	115,004
May .....	104,283	125,745	105,931	109,385	112,304
June .....	97,804	123,908	102,733	102,988	107,844
One-half year .....	100,891	119,564	101,763	107,351	109,660
July .....	85,146	122,100	99,901	95,199	103,978
August .....	.....	121,151	101,180	95,073	108,241
September .....	.....	116,585	102,077	92,498	104,543
October .....	.....	115,745	108,800	89,810	107,553
November .....	.....	106,047	110,084	88,279	107,890
December .....	.....	91,513	108,705	86,960	99,712

### Other Iron and Steel Markets

Chicago.—Steel ingot output held at around 55 per cent. for the area, with prices somewhat steadier, and the leading producers reporting a slow but sure pick-up in the general demand. Orders during the first half of the week were reported moderately heavier than those of a week ago. The structural steel market was more active locally, with new inquiry involving 9,800 tons, 5,000 of which were for a high-school project. Recent awards included 8,000 tons for a large utility generating plant. Pipe makers continue active, and are specifying heavily to meet current demands. The crop outlook has slowed the demand for wire products, and farm implement makers are certain to take less steel for domestic orders. A large Russian order, hitherto reported placed with a Milwaukee maker, still is in doubt. Automotive takings have failed to respond to the resumption of activity at the factories in the area, leaving the belief that the companies had fair-sized unused inventories on hand prior to the Midsummer shut-down. With the exception of galvanized iron sheets, which are off \$1 a ton, prices are fairly steady. Chicago sheet mills are operating at 50 per cent. of capacity, and orders are coming in on a hand-to-mouth basis. Ruling prices were: Pig iron, \$17.50 to \$18; rail steel bars, \$1.75; soft steel bars, \$1.75 to \$1.80; and shapes and plates, \$1.75 to \$1.80.

Competition on hard yarn colored cottons, such as tickings, hickory stripes and similar goods, has resulted in reductions of more than ½c. a yard from recently quoted prices.

Frigerificos Steady, but Interest in Packers is Desultory—Calfskins Inactive

SINCE some trading last week, packer hides have remained quiet. Packers talk of holding branded steers up ½c., but last prices are bid. Large brokerage quarters report that interest has narrowed materially and tanners are reported to be curtailing, even sole leather producers. The outlet for native steers and cow hides seems to have centered in sole leather channels. As a result, bids are ½c. lower on native steers, or ½c. under butt brands and heavy Texas, due to heavy branded steers being more adaptable for sole leather production. There is only desultory interest in branded cows. Meanwhile, offerings of cow hides for resale are coming on the market, which further hurts the position of the market for these.

Country hides, after selling at 10c. for extremes and 8c. for buffs, developed a slower trend and look weaker. In Boston, a car each of Middle West free-of-grub selection, all short haired extremes, sold at 10c. for Ohio's, and Middle West buffs at 8c.

At the River Plate, heavy frigorifico steers are steady and sold at \$32.50 gold basis for Argentine and \$32.75 for a single pack of Uruguay kill to United States tanners, all at a figured equivalent c. & f. sight credit basis per pound of 13½c. Later, however, a pack of Argentines, on a well sold-out market, dropped ¼c. per pound, to 13¼c. A sale of 2,000 frigorifico cows was reported made to Europe at \$30.50, equivalent to around 12½c. per pound, the first movement of these in a long time.

Calfskins are slow and weak, except in New York, where well sold-up stocks keep the market well maintained. New York 5 to 7's last sold regularly at \$1.50, although a dealer claims to have moved a small lot at 10c. more. The 7 to 9's and 9 to 12's range from \$1.90 to \$2 and \$2.60 to \$2.70, respectively, but \$2.05 is talked on some small holdings of 7 to 9's. Western packers are mostly sold out to August 1 at 19c.

### Leather Trading Continues Inactive

NO important sales of sole leather are noted, and business with finders remains decidedly quiet. In Boston, tanners are not satisfied with the way trading has developed. Shoe orders taken in July were not up to expectations. There may be an increase this month, but buyers are decidedly cautious.

Offal in Boston seems particularly sensitive to the lack of demand. In most cases, bellies are weak, with prices spread over a range of 14c. to 21c., and some sellers are willing to move best medium steer bellies at the outside figure. In New York, this line appears to display special weakness. Some time ago, bellies were the strongest end, but they appear about the weakest now, reflecting the reports coming out of the Boston market. Advices from counter manufacturers are that so many fiber and other counters are being used for shoes at a price that their business, particularly in moulded counters, has been unfavorably influenced.

Upper leathers are generally slow, and some lines, notably side upper, are dull and weak. Good tannages of large spread chrome sides are quoted in New York on a basis of 20c., 18c. and 16c. for the three regular grades, and at 14c. for rejects. Grain finishes of calf in women's weights drag in New York, as the demand from Brooklyn and other manufacturers of women's high-grade turn shoes favors suede; also suede leather in kid. Boston notes, however, that tanners able to offer women's weight grain calf at a price favorable to buyers are securing satisfactory orders. Men's weights are now said to be not active, so far as new orders are concerned. Patent leather trading continues unsatisfactory.

Shoe Buying Still Restricted.—Increased shoe orders continue to be awaited by the large New England manufacturers. There have been contracts placed, but the volume is less than was expected, and it is becoming more evident that the demand will be strictly in accordance with needs. Thus far, there has been nothing to show that the requirements of wholesalers and retailers have expanded. The trend of styles, particularly for women's wear, continues simple, and black still predominates.

Linen manufacturers report an increased call from the United States for the better grades of fancy colored linens, and also for the higher grades of men's linen suitings.

## MORE TEXTILE PRICE CHANGES

Irregularities in Cottons, Silks and Other Lines  
—Cautious Buying the Rule

AS the Fall demand for dry goods develops, price irregularities grow more noticeable in several divisions. Cotton goods have declined still further in print cloth and sheeting markets, and a reduction of 2c. a yard was announced on printed percales. New lines of Fall silks opened earlier in the season have been revised downward in several instances, while lower prices are being named on lines of rayon fabrics offered for printing and converting. In wool goods, new lines of flannels have been opened at reductions varying from 7½c. to 12½c. a yard for Spring deliveries.

Buyers are operating more freely, but are holding their purchases very close to their nearby requirements. More business has developed in women's coats and dresses, in the garment sections of the industry. New silks are being bought for Fall cutting, and buyers are ordering new garments. Most of the purchasing is for retail selling, although some wholesale operators have been in the markets for additional lines.

Selling prospects have been dimmed somewhat by the prolonged drought in different parts of the country, and through apprehension that the purchasing power in agricultural regions will not be up to expectations. Regulation of production continues as a notable feature in the manufacturing end of textiles, cotton mill curtailment being fully 35 per cent. of capacity. Rayon output has been cut down further, but sales are reported to be increasing moderately.

Finishing plants have yet to show any great gains in new orders, and have been operating on the lowest levels for some years. Exporters and importers continue to complain of the difficulty of making sales, although more energy is being devoted to foreign textile trade than has been noted for two or three years.

## Reductions in Percale Prices

LARGE converting houses selling to the retail trade reduced prices on standard constructions of printed percales 2c. a yard during the week, to a basis of 14½c. for 4-4 80x80s. After initial reductions were announced, it was stated that further price concessions were obtainable in some quarters. Print cloths are down ¼c. to ¾c. a yard from the levels a week or ten days ago. Bedspreads opened for the new season showed substantial reductions from the prices a year ago. Tickings, express stripes and some other hard-spun colored cottons have been further reduced.

New flannel lines opened in wool goods houses for the Spring season show reductions varying from 7½c. to 12½c. a yard. More business has been coming forward in small lots on overcoating and women's coating and dress fabrics for immediate cutting, and orders are being placed moderately for Spring deliveries of tropical suitings and lightweight staples.

Canton crepes continue to lead fabric sales in many of the silk houses offering goods for Fall. Moderate sales are being made of some of the specialties and some of the better grades of satin crepes. Silk manufacturers are putting more all-rayon goods in work on their looms. Raw silk continues steadier, with moderate sales.

At reduced prices for rayon yarns, importers are finding it very difficult to meet domestic prices, and some of them do not expect to be able to do much, except on special yarns, until prices are advanced. Competition for business in rayon is stronger than it has been for some years.

## Radio Trade at Atlanta

ATLANTA.—Practically all of the more prominent manufacturers of radios and radio equipment have wholesale distribution through the Atlanta market, several new concerns having entered the territory during the current year. The volume of trade has held up reasonably well, some dealers reporting a decrease of 8 to 10 per cent. during the first six months of the year, while others, handling the more moderately-priced sets, advise of a slight increase in sales. Prices are well maintained, though some concessions were made to dispose of stock to make room for the newer models. Price levels of some makes were raised, while others were lowered, and dealers here do not anticipate any material change in prices in the near future.

## COTTON ADVANCES ON DROUGHT

Market Responds to Hot, Dry Weather, but  
Trading is Not Generally Active

THE pronounced excitement in grain trading this week was not duplicated in the cotton market, yet prices for the Southern staple had scored a substantial rise up to the close of Thursday's trading. The dominating influence was, of course, the weather and crop news, the protracted heat and drought being the propelling force behind the upturn in futures. Before the government crop estimate came out on Friday, net gains in the option list had averaged about 30 points, or \$1.50 per bale, with a corresponding advance in the local spot quotation. Periods of downward price reaction this week were comparatively few, and Tuesday's decline on rains in Texas, with a further recession in the early dealings on Wednesday, was followed by renewed strength. It appeared later in the week that the drought in the Mississippi Valley and the central cotton belt had not been definitely broken, and the speculative shorts not unnaturally showed nervousness over the bullish weather and crop advices. With such dispatches acting as a stimulus, trading broadened somewhat, yet was by no means conspicuously active. Many reports of deterioration in the condition of the crop were received and interest centered largely on the prospects in Texas, where hot weather has been accompanied by insufficient rainfall. The average of private crop calculations, made before the issuance of the official estimate, was a little under 14,200,000 bales, compared with something over 14,600,000 bales a month ago. When the Washington figures were published, they showed 14,362,000 bales and caused a sharp decline in prices.

Daily closing quotations (cents per pound) of cotton futures in the New York market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
October .....	12.64	12.92	12.64	12.77	12.77	12.77
December .....	12.83	13.10	12.84	12.97	13.14	12.95
January .....	12.92	13.16	12.91	13.04	13.23	12.60
March .....	13.11	13.38	13.08	13.20	13.41	12.73
May .....	13.25	13.50	13.24	13.35	13.37	12.90

## SPOT COTTON PRICES

	Fri. Aug. 1	Sat. Aug. 2	Mon. Aug. 4	Tues. Aug. 5	Wed. Aug. 6	Thurs. Aug. 7
New Orleans, cents.....	12.42	12.42	12.72	12.49	12.60	12.80
New York, cents.....	12.80	12.85	13.10	12.85	12.95	13.15
Savannah, cents.....	11.95	11.99	12.27	11.99	12.13	12.31
Galveston, cents.....	12.40	12.40	12.70	12.45	12.60	12.80
Memphis, cents.....	11.85	11.90	12.15	11.90	12.00	12.20
Norfolk, cents.....	12.75	12.81	13.13	12.81	12.90	13.13
Augusta, cents.....	12.38	12.38	12.69	12.38	12.50	12.69
Houston, cents.....	12.35	12.35	12.65	12.40	12.55	12.75
Little Rock, cents.....	11.60	11.65	11.92	11.65	.....	11.96
St. Louis, cents.....	11.50	11.75	11.75	12.00	11.75	11.75
Dallas, cents.....	11.85	11.90	12.20	11.95	12.05	12.25

## Situation in Silk Reviewed

STATISTICS issued by the Silk Association of America showed that deliveries of raw silk to American mills in July amounted to 39,948 bales, comparing with 29,396 bales in June, and 11,676 bales less than the deliveries in July, a year ago. Imports for July gained 24,694 bales, totaling 47,063 bales, and were slightly more than in July, last year. Warehouse stocks here increased 7,115 bales, to 35,565 bales, but the stock on hand was 7,031 less than that at the end of July, 1929. Silk in transit at the end of the month totaled 31,200 bales, or 14,900 bales more than the amount afloat at the close of June.

Prices have advanced about 30c. a pound above the low point on one standard grade since the new season opened in July. There are 148,000 bales of silk under control from the last crop and in the hands of Japanese exporters and the Government of Japan. Reeling is being restricted more in that country, but it is now apparent that sales have been running pretty well ahead of early expectations.

Silk fabric prices have been very irregular in the last week or two, due largely to the demand of cutters for lower prices with which to meet new offerings of rayon fabrics now being shown in samples for Fall delivery. Business done for Fall has been only moderate. More silk manufacturers than ever before are entering upon the production of all-rayon fabrics to be processed in silk finishing plants.

Prices for new rayon crepes to be made in the gray have been reduced sharply in some mill centers since new low prices were made on rayon yarns. In one case, a line that sold at 42½c. a yard was cut to 35c.

## SHARP ADVANCES IN CEREALS

Dollar Corn Restored with Wheat and Other Grains Following its Price Gains

A HECTIC advance in all grain prices, based on heavy speculative buying and official confirmation of drought damage in government reports, was finally checked by profit-taking on Thursday. As the result of reports of heavy losses to crops, because of the drought, dollar corn was restored to the blackboards on the Chicago Board of Trade on Thursday, after an absence of a year, as wave after wave of buying orders flooded the pit.

Wheat began the week with an advance of 3½c. to 3¾c. on Monday, followed by a gain of 2½c. to 3c. on Tuesday, and reached a climax in the advance on Wednesday, with a further rise of 5½c. to 6c. a bushel. Profit-taking was too much for the bull traders, and the close on Thursday was fractionally lower for all deliveries. Crop news was decidedly bullish, reports of black rust damage, and reduced yields in Western Canada, reduced sharply crops in France and Germany, and drought damage in the Northwest more than offsetting the big increase in visible supply for the week.

Corn advanced even more sharply than the leading cereal, but broke from 1½c. to 2c. in the Thursday reaction. Net gains during the first three days of the week ranged from 11c. to 15c. for the various deliveries. Speculative interest, absence of any rains of consequence, and the sensational official reports of severe damage in the drought area furnished the impetus for the soaring prices.

Oats broke out of its narrow trading range of recent week's, the daily advances ranging from major fractions to better than 3c. on Wednesday. Rye likewise was very strong, the Wednesday advance ranging from 5½c. to 6c. Foreign advices forecast an European rye crop much below that of last year.

The United States visible supply of grains for the week, in bushels, was: Wheat, 155,194,000, up 15,500,000; corn, 3,656,000, up 291,000; oats, 8,467,000 up 1,542,000; rye, 11,618,000, up 22,000; and barley, 3,961,000, off 420,000.

Daily closing quotations of wheat options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September .....	85	88½	91½	96¾	96¾	96½
December .....	90½	94¾	97¾	1.02½	1.02½	1.02
March .....	95	98¾	1.01½	1.07½	1.06¾	1.06¾

Daily closing quotations of corn options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September .....	86½	89½	93½	1.01	99½	97½
December .....	84	87½	89½	97½	95½	94
March .....	87½	91	92½	99½	98½	96½

Daily closing quotations of oats options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September .....	36½	39½	40	43½	41½	41½
December .....	40½	43½	43½	46½	45½	45½
March .....	43½	45½	46½	49½	48½	48½

Daily closing quotations of rye options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September .....	55	59½	61½	67	66½	64½
December .....	60½	65	67	73½	71½	70½
March .....	65½	70½	71½	78	75½	74½

The grain movement each day is given in the following table, with the week's total, and comparative figures for last year:

	Wheat		Flour		Corn	
	Western Receipts	Atlantic Exports	Atlantic Exports	Western Receipts	Atlantic Exports	
Friday .....	4,504,000	325,000	14,000	569,000	.....	
Saturday .....	3,870,000	1,333,000	12,000	594,000	.....	
Monday .....	6,383,000	165,000	12,000	749,000	.....	
Tuesday .....	3,821,000	152,000	11,000	421,000	.....	
Wednesday .....	3,150,000	307,000	9,000	446,000	.....	
Thursday .....	3,078,000	612,000	6,000	314,000	.....	
Total .....	24,806,000	2,894,000	64,000	3,093,000	.....	
Last year .....	32,276,000	2,498,000	66,000	4,839,000	.....	

Although showing a reduction from those for the same month of last year, Canadian exports of asbestos, asbestos by-products and manufactures, recorded a distinct gain during May, as compared with those of the month preceding. In tonnage of crude asbestos, 12,337 for the month compares with 15,461 for May, 1929, and with 7,919 for April, while the month's exports on this tonnage had a value of \$729,564, against \$467,523 in April, and \$1,084,984 in the same month of 1929.

## RESTRICTED TRADING IN STOCKS

Dulness Contrasts with Activity in Some Other Speculative Markets—Prices Lower

SLOW markets in which professional trading predominated were again the rule on the New York Stock Exchange this week. The turnover reached the lowest level recorded for a similar period in a number of years, owing to the absence of any public interest. Professional operators were able to turn the market about very easily, and some sharp gains and losses were registered in succeeding sessions. The average level was affected but little, however, as the gains of one day merely wiped out the losses of another. In special stocks where developments of some significance appeared, changes of a more permanent nature were made in prices. The shares of can companies dropped on indications of a small canning crop this year in several important vegetables, while steel stocks sold off on reviews of the trade which the financial community found disappointing.

Much of the upward and downward movements resulted from early uncertainty among traders regarding the effects of the current heat wave and drought in important agricultural sections of the country. In the early dealings of the week, the outstanding factor seemed to be the recovery in wheat prices, owing to substitution of this grain for corn. Stock prices moved upward on this basis on Monday, and the recovery took in some of the important agricultural machinery producers, as well as industrials such as Steel common, Westinghouse Electric and Diamond Match. When it appeared in the midweek sessions that the crop curtailment was likely to be more serious than had been generally realized, prices of stocks dropped and the earlier gains were offset completely. To such developments were added indications that the heavy gold drain to Paris and Montreal may affect the money market slightly, if it is long continued, and further selling was thus induced. On Friday the stock market weakened appreciably on more active trading, largely in response to unsettlement in grains.

Bond prices moved steadily upward, with many listed issues reaching their highest levels of the current year. This development was viewed in the financial district as the most favorable of the entire security market, as a persistent upswing in bond prices always precedes business recovery. Gains were not sharp in any particular session, but the fractional additions in virtually every session were heartening. As measured by average compilations, bonds have reached the best levels in more than two years. Prime railroad and utility mortgages are in greatest demand, while some second-grade issues also have been taken more readily.

The daily average closing quotations of sixty railroad, ten industrial and five traction and gas stocks are appended:

	Last Year	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Railroad .....	121.94	98.32	98.44	98.72	98.05	97.63	96.94
Industrial .....	199.43	193.79	194.05	194.06	193.75	193.77	193.39
Gas & Traction .....	201.50	155.10	155.75	155.70	155.00	151.70	150.70

Daily transactions in stocks and bonds on the New York Stock Exchange compare with last year as follows:

Week Ending	Stocks		Bonds	
Aug. 8, 1930	This Week	Last Year	This Week	Last Year
Saturday .....	366,100	1,842,400	\$2,793,000	\$6,536,000
Monday .....	1,291,800	3,861,800	5,774,000	11,705,000
Tuesday .....	1,221,500	3,796,100	8,623,000	11,287,000
Wednesday .....	1,317,400	3,161,400	7,614,000	11,185,000
Thursday .....	1,450,900	2,831,300	7,312,000	10,010,000
Friday .....	3,100,000	5,017,400	.....	11,972,000
Total .....	8,657,700	20,510,400	\$.....	\$62,755,000

## Record of Steel Output

The average daily output of steel, in tons, by months, for recent years follows, the figures being compiled by the American Iron and Steel Institute.

Month	1930	1929	1928
July .....	112,823	186,561	152,223
June .....	137,610	196,118	143,996
May .....	149,066	195,790	155,823
April .....	159,764	190,398	172,215
March .....	165,381	194,933	166,384
February .....	169,930	180,366	161,738
January .....	140,596	166,674	153,496
	1929	1928	1927
December .....	115,581	160,728	122,134
November .....	135,116	164,109	120,270
October .....	167,098	172,221	127,550
September .....	180,435	165,916	125,728
August .....	182,491	154,763	129,576
July .....	186,080	152,224	128,165

## AUTOMOBILE TRADE SURVEY

(Continued from page 9)

is considerably below that of last year. Prices are lower and collections are only fair. Automobile accessory jobbers report fair conditions, but state that, on the whole, collections still are slow.

**SYRACUSE.**—Manufacturers report a proportionately heavy curtailment of volume, as compared with that of previous years, with no advance commitments of consequence. Distributors cite reduced volume of at least 25 per cent. Purchasers are hesitant to commit themselves regarding the future. Prices show a downward tendency. Manufacturers of buses are well employed, though business, as compared to that of previous years, is down in volume; prices are unchanged.

The used-car situation continues unsatisfactory, demand being limited. The majority of dealers are overstocked in this respect. Automobile accessory lines reflect the reaction to the automobile industry in reduced volume, with no improvement anticipated for the balance of the year, at least. As to the future, few are inclined to commit themselves, though the trend of opinions are that a revival of the industry hardly can be expected until early in 1931.

**ST. LOUIS.**—During the first six months of 1930, automobile distributors and dealers in St. Louis and the 136 counties in Missouri and Illinois, or the St. Louis trading area, sold 61,988 passenger cars, as against a total of 71,134 for the first half of 1929. The smaller volume of distribution reflects, as in other lines, reduced employment in the large industrial centers, and the depressed prices of the principal agricultural products. Local dealers report considerably less stimulation to their business in both new cars and parts and accessories from the touring season than during the past several years.

Demand for garage and shop supplies, however, was relatively better than for automobiles proper, reflecting a general disposition on the part of owners to recondition their cars for additional service. The policy of conservative buying by both jobbers and retailers, which has obtained since early in the year, has resulted in low inventories, and in this respect, the industry is on a better basis than heretofore. Advertising new models is expected to stimulate sales somewhat, but the immediate outlook is only fair. There is an ample supply of used cars on the market, at low prices. Collections are reported slow.

**BALTIMORE.**—Current automobile business is not very satisfactory, and distributors report that the Spring of 1930 was the flattest in the memory of local dealers. Two outstanding developments which have been affecting adversely

the industry are factory overproduction and dealer overstocking. No cars are manufactured here, but factories elsewhere are known to be curtailing output so as to adjust production more closely to sales. At present, automobile building is at its lowest ebb for the year. Moreover, dealers are becoming more cautious in concluding contracts for their future requirements, so as to avoid unhealthy inventories. It is being realized more forcibly than ever that a better co-operation between producer and dealer is an important necessity, in order to improve the status of the distributing field. It is an open secret that dealers in some cases were obliged to contract for more machines than they could reasonably expect to sell, and the result of this unwise policy is now only too evident.

The demand for the medium and low-priced passenger cars still features present sales, and one popular make accounts for 40 per cent. of the Maryland registration. The secondhand-car market continues to be a perplexing problem, and aggressive used-car selling campaigns are now being conducted to reduce accumulated stocks in this department. Moreover, the annual safety inspection of automobiles is now compulsory in Maryland under State law and this process undoubtedly will result in the junking of many old cars. Light-ton commercial trucks are selling better than heavy trucks, the free movement of the latter machines being still retarded by the subnormal condition in the construction industry; motor bus sales are expanding. Reports recently released by finance companies which handle automobile paper reveal a substantial volume decline in instalment sales, and repossessions are somewhat higher because of the general business depression.

Jobbers of parts and accessories say that their sales are being reduced, because of the more complete equipment furnished by the factory; many are adding side-lines to offset this shrinkage. Tire distributors are transacting a fair business, but competition in this division continues keen and profit margins are small. Tires are now cheaper than ever in the history of the industry, because of the fall in the crude rubber market. British and Dutch growers are urging restricted production to stabilize prices. American rubber manufacturers use two-thirds of the world's rubber crop, and they would be the hardest hit by any marked price rise.

There have been some car price declines, but these drops have been comparatively unimportant and it is not expected that the new models will reveal any consequential price recessions. Gasoline stocks are still excessive, but curtailment of crude oil output will likely strengthen quotations of the refined products; gasoline consumption continues to shatter all records. The outlook in agricultural regions is being jeopardized because of bad crop prospects, due to the prolonged drought in this State.

### Canadian Trade

WHILE general trade shows a slight improvement over that of last month at this time, it still is rather quiet. There has been an average movement in seasonal merchandise

at retail, but tourist trade is somewhat disappointing, reports indicating that money is being spent less freely. No important developments are to be noted in wholesale circles, quiet conditions continuing to rule, with the dry goods trade showing no inclination to order for later deliveries, according to dispatches to DUN'S REVIEW from branch offices of R. G. DUN & Co., located in the chief commercial and industrial centers of the Dominion. Little improvement is found in the woolen trade. A fairly steady movement is reported in groceries. The season's new pack of canned goods will come on practically a bare market. Deliveries of new peas, of good quality, already have been made at tentatively lower prices than those of last year. Sugar is in good demand, and teas and coffees continue steady.

Conditions in the chief industrial centers made but a slight improvement during the week, and there were instances reported of aggravation in the unemployed situation, notably among steel mill operators. Saw mills, and pulp and paper plants are struggling along on minimum crews while manufacturers have released workers for varying periods. The recently-noted improvement in the leather market appears to be sustained. Demand has been increasing since the first of the month, and shoe factories are working on increased production, as a result of fairly liberal receipts of orders for Fall footwear.

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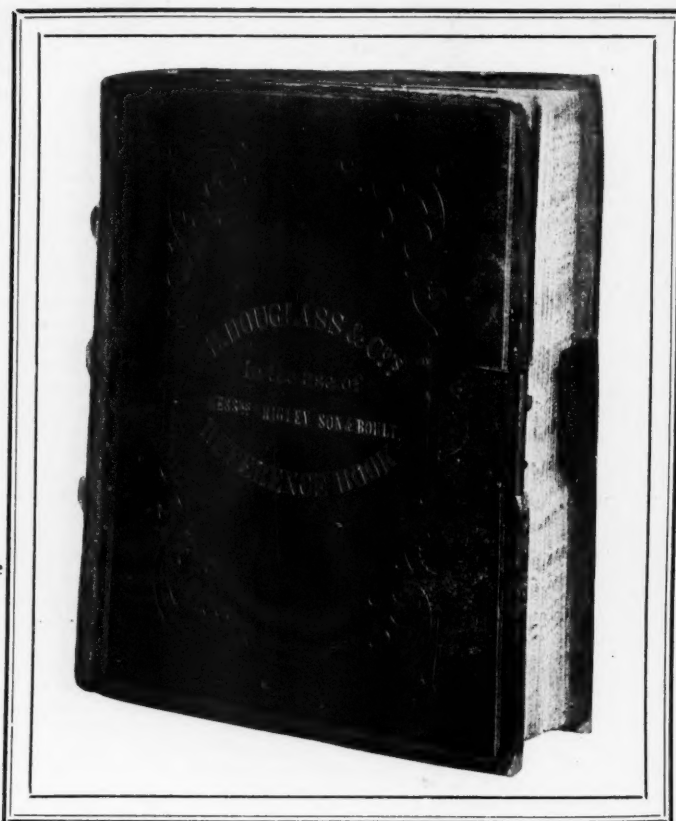
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